

State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director JOHN R. BAZA
Division Director

January 14, 2008

CERTIFIED RETURN RECEIPT 7004 2510 0004 1824 9016

Mr. Mike Dalley – Environmental Affairs Staker & Parsons Companies 151 West Vine Street Murray, Utah 84107

Subject:

Proposed Assessment for Notice of Violation, N07-58-02, Staker & Parsons Companies, Beck

Street Quarry, M0350019, Salt Lake County, Utah

Dear Mr. Dalley:

The undersigned has been appointed by the Division of Oil, Gas & Mining as the Assessment Officer for assessing penalties under State Rule R647-7.

Enclosed is the proposed civil penalty assessment for the above referenced Notice of Violation. The Notice of Violation was issued by Division Inspector, Beth Ericksen, on December 14, 2007. Rule R647-7-103 et. seq. has been utilized to formulate the proposed penalty for the violation as follows:

• MC-2007-58-02- \$462

The enclosed worksheet specifically outlines how the violation was assessed.

By these rules, any written information, which was submitted by you or your agent within fifteen (15) days of receipt of this Notice of Violation (NOV) has been considered in determining the facts surrounding the violation and the amount of penalty. If the violation has not been abated at the time of the proposed assessment, the assignment of good faith points cannot be made. If you feel that you are eligible for good faith, you should supply relevant information to the assessment officer within 15 days of the violation abatement date so that it can be factored into the final assessment.

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- 1. If you wish to informally appeal the <u>fact of the Violation</u>, you should file a written request for an Informal Conference within thirty (30) days of receipt of this letter. This conference will be conducted by the Division Director, Associate Director or appointed Conference Officer. This Informal Conference is distinct from the Assessment Conference regarding the proposed penalty.
- 2. If you wish to review the proposed penalty assessment, you should file a written request for an Assessment Conference within thirty (30) days of receipt of this letter. If you are also requesting a review of the fact of violation, as noted in paragraph one, the assessment conference will be scheduled immediately following that review.

If a timely request for review is not made, the fact of the violation will stand, the proposed penalty(ies) will become final, and the penalty(ies) will be due and payable within thirty (30) days of the final assessment. Please remit payment to the Division, mail c/o Vickie Southwick.

Sincerely,

Daron R. Haddock Assessment Officer Haddock

DRH/pb Enclosure: worksheet, cc. Beth Ericksen

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WORKSHEET FOR ASSESSMENT OF PENALTIES DIVISION OF OIL, GAS & MINING Minerals Regulatory Program

COMI	PANY /	MINE	Staker & Parsons	Companies/ Beck Street	PERM	IT <u>M350019</u>			
			07-58-02	VIOI	LATION	<u>1</u> of <u>1</u>			
ASSE	SSMEN	IT DAT	TE January 14.	, 2008		_			
			ICER <u>Daron R. H</u>						
						•			
I.	<u>HISTORY</u> (Max. 25 pts.) (R647–7-103.2.11)								
	A. Are there previous violations, which are not pending or vacated, which fall within three (3) years of today's date?								
	PREVIOUS VIOLATIONS			EFFECTIVE DATE	3	POINTS (1pt for NOV 5pts for CO)			
		none							
			<u>, ,</u>						
				mor					
				101	AL HIS	TORY POINTS 0			
II.	SERIOUSNESS (Max 45pts) (R647–7-103.2.12)								
	NOTE:		For assignment of points in Parts II and III, the following apply:						
		1.	Based on facts supplied by the inspector, the Assessment Officer will determine within each category where the violation falls.						
		2.	Beginning at the mid-point of the category, the Assessment Officer will adjust the points up or down, utilizing the inspector's and operator's statements as guiding documents.						
		Is this	Is this an EVENT (A) or Administrative (B) violation? <u>Event</u>						
		(assign points according to A or B)							
	A.	EVEN	<u>IT VIOLATION</u> (N	Max 45 pts.)					
		1.	What is the event	which the violated stand	ard was c	lesigned to prevent?			
			Environmental H	arm/ Loss of reclamatio	n/revege	tation potential			

2. What is the probability of the occurrence of the event which a violated standard was designed to prevent?

<u>PROBABILITY</u>	<u>RANGE</u>
None	0
Unlikely	1-9
Likely	10-19
Occurred	20

ASSIGN PROBABILITY OF OCCURRENCE POINTS 9

PROVIDE AN EXPLANATION OF POINTS:

*** An Operator is required to ensure that highwall areas are maintained in an environmentally stable and safe manner. In this case the highwall is measured to be at an angle of 58 degrees and with blasting occurring near this site there is potential for the south area to become unstable. Also soil resources for reclamation in the area need to be stockpiled and protected for future use. While there was some stockpiling of material, the growth medium had not been tested to determine its suitability nor had it been placed in growth media piles and labeled as such. At this point, it appears that there is only "potential" for environmental harm or loss of reclamation potential. If practices were to continue the way they are the potential would increase but right now I see it as unlikely and points are assigned in that category.

3. What is the extent of actual or potential damage?

RANGE 0-25

In assigning points, consider the duration and extent of said damage or impact, in terms of area and impact on the public or environment.

ASSIGN DAMAGE POINTS <u>5</u>

PROVIDE AN EXPLANATION OF POINTS:

*** The inspector stated that while there is no damage at this point, there is potential for problems if the fines resources don't pan out as suitable growth medium. Also if the highwall area is left unsecured, there is potential for deterioration and degradation of this area. In this case there is probably more "potential" for damage rather than actual damage. Points in the lower end of the range are assessed.

- B. <u>ADMINISTRATIVE VIOLATIONS</u> (Max 25pts)
 - 1. Is this a POTENTIAL or ACTUAL hindrance to enforcement? <u>NA</u>
 RANGE 0-25

Assign points based on the extent to which enforcement is actually or potentially hindered by the violation.

ASSIGN HINDRANCE POINTS N/A

PROVIDE AN EXPLANATION OF POINTS:

TOTAL SERIOUSNESS POINTS (A or B) 14

III. DEGREE OF FAULT (Max 30 pts.) (R647-7-103.2.13)

A. Was this an inadvertent violation which was unavoidable by the exercise of reasonable care? IF SO--NO NEGLIGENCE; or, was this a failure of a permittee to prevent the occurrence of a violation due to indifference lack of diligence, or lack of reasonable care, the failure to abate any violation due to the same or was economic gain realized by the permittee? IF SO--GREATER DEGREE OF FAULT THAN NEGLIGENCE.

No Negligence 0
Negligence 1-15
Greater Degree of Fault 16-30

STATE DEGREE OF NEGLIGENCE Negligence

ASSIGN NEGLIGENCE POINTS ___7

PROVIDE AN EXPLANATION OF POINTS:

*** The inspector indicated that the operator had been notified of these issues through an October 4, 2007 inspection report. There was also a November 5, 2007 meeting where these issues were discussed. A prudent operator would understand the need to address these identified issues in a timely manner. However, the operator did not follow through on the issues which seems to demonstrate a lack of reasonable care or indifference to the requirements. The lack of reasonable care indicates some negligence, thus the assignment of points in the mid part of the negligence range.

IV. GOOD FAITH (Max 20 pts.) (R467-7-103.2.14)

(Either A or B) (Does not apply to violations requiring no abatement measures)

A. Did the operator have onsite, the resources necessary to achieve compliance of the violated standard within the permit area?

IF SO--EASY ABATEMENT

Easy Abatement Situation

• Immediate Compliance

-11 to -20*

(Immediately following the issuance of the NOV)

Rapid Compliance

-1 to -10

(Permittee used diligence to abate the violation)

Normal Compliance

0

(Operator complied within the abatement period required)

(Operator complied with condition and/or terms of approved Mining and Reclamation Plan)

- *Assign in upper of lower half of range depending on abatement occurring the 1st or 2nd half of abatement period.
- B. Did the permittee not have the resources at hand to achieve compliance, or does the situation require the submission of plans prior to physical activity to achieve compliance?

IF SO--DIFFICULT ABATEMENT

Difficult Abatement Situation

- Rapid Compliance -11 to -20*
 - (Permittee used diligence to abate the violation)
 Normal Compliance -1 to -10*
 - (Operator complied within the abatement period required)
- Extended Compliance 0

 (Permittee took minimal actions for abatement to stay within the limits of the NOV or the violated standard of the plan submitted for abatement was incomplete)

(Permittee complied with conditions and/or terms of approved Mining and Reclamation Plan)

EASY OR DIFFICULT ABATEMENT? difficult

ASSIGN GOOD FAITH POINTS ___

PROVIDE AN EXPLANATION OF POINTS:

*** This is considered to be a difficult abatement because it requires the collection of data and submission of plans to complete the abatement. Because the abatement has not yet been completed good faith points cannot be awarded at this time. Once the abatement has been completed this category will be looked at again and points awarded depending on the diligence shown.

V. ASSESSMENT SUMMARY (R647-7-103.3)

NOT:	ICE OF VIOLATION # <u>MN-07-58-0</u>	2
I.	TOTAL HISTORY POINTS	0
II.	TOTAL SERIOUSNESS POINTS	14
III.	TOTAL NEGLIGENCE POINTS	7
IV.	TOTAL GOOD FAITH POINTS	
	TOTAL ASSESSED POINTS	21
	TOTAL ASSESSED FINE	<u>\$ 462</u>